



Department of Energy
Washington, DC 20585

November 17, 2011

Mr. Frank M. Russo
Project Director
Bechtel National, Inc.
2435 Stevens Center Place
Richland, Washington 99352

Dear Mr. Russo:

This letter serves as notification of the Office of Health, Safety and Security's Office of Enforcement and Oversight's decision to conduct an investigation into the facts and circumstances associated with potential nuclear safety noncompliances with the Bechtel National, Inc. (BNI) processes for designing, procuring, and installing Structures, Systems, and Components (SSCs) used in the construction of the Waste Treatment and Immobilization Plant, particularly for those SSCs whose design has not been verified.

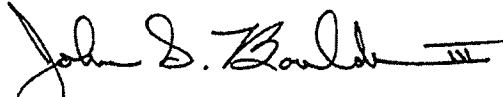
The Office of Enforcement and Oversight will conduct this investigation pursuant to the authority set forth in 10 C.F.R. § 820.21, *Investigations*. The investigation may include a site visit (date to be determined) and interviews of contractor personnel. The U.S. Department of Energy (DOE) will issue a document request separately via e-mail.

Under the Major Fraud Act (MFA), as amended, 41 U.S.C. § 4310, this investigation may be a proceeding commenced by the United States that relates to a violation of, or the failure to comply with, a Federal regulation. Costs incurred in connection with such a proceeding are subject to the reimbursement restrictions of the MFA implemented at 48 C.F.R. § 31.205-47. As a result, any costs incurred by BNI that are directly attributable to supporting DOE's investigation, subsequent to receipt of this letter, should be tracked and segregated from other potentially allowable costs.



If you have any questions concerning this letter, please contact me at (301) 903-2178, or your staff may contact Mr. Steven Simonson, Deputy Director for Enforcement, Office of Enforcement and Oversight, at (301) 903-7707.

Sincerely,

A handwritten signature in black ink, appearing to read "John S. Boulden III", with a horizontal line extending to the right.

John S. Boulden III

Director

Office of Enforcement and Oversight

Office of Health, Safety and Security

cc: Scott Samuelson, DOE-ORP
Dale Knutson, DOE-WTP
Dawn Kammenzind, BNI